Alberta Consumer and Corporate Affairs

Annual Report

for the year ending March 1989

Alberta

MINISTER OF
CONSUMER AND CORPORATE AFFAIRS

229 Legislature Building, Edmonton, Alberta, Canada T5K 2B6 403/427-2305 Fax 403/422-6997

The Honourable Dr. David J. Carter
Office of the Speaker
Legislative Assembly of Alberta

Sir:

I have the honour to submit this annual report of the Department of Consumer and Corporate Affairs for the fiscal year ended March 31, 1989.

Respectfully submitted,

Dennis L. Anderson
Minister

90-06340/1

Alberta

CONSUMER AND CORPORATE
AFFAIRS

Office of the Deputy Minister

22nd Floor, 10025 Jasper Avenue, Edmonton, Alberta, Canada T5J 3Z5 403/427-4095

The Honourable Dennis Anderson
Minister of Consumer and Corporate Affairs

Sir:

I take pleasure in submitting the department's annual report for the fiscal year ended March 31, 1989.

Respectfully submitted,

R.J. C. Ford
Deputy Minister

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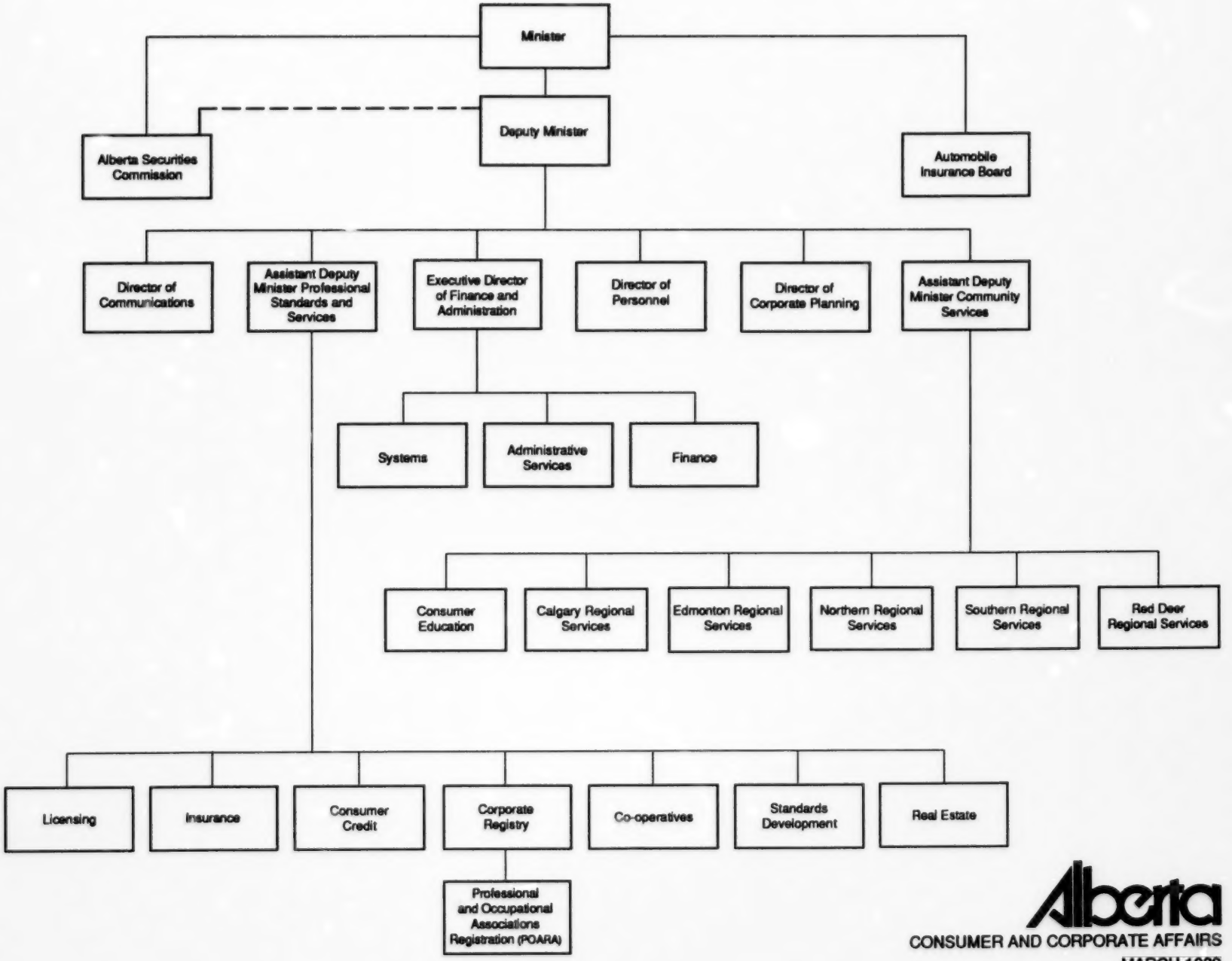

Alberta

CONSUMER AND CORPORATE AFFAIRS

MARCH 1989

DEPUTY MINISTER'S REPORT

During the 1988-89 fiscal year, Alberta Consumer and Corporate Affairs continued to foster equity in the marketplace between buyers and sellers. Through its various programs and activities, the department worked with and for consumers and industry in Alberta.

Particular emphasis was placed on the changing needs of consumers of financial goods and services, resulting from major shifts in the marketplace. The Committee on Fair Dealing met often throughout the period leading up to January, 1989. The Committee, composed of consumer, industry and government representatives, was appointed earlier by the Minister to make recommendations addressing consumers needs, relating to savings and investments. In January, the committee presented its report, "A Blueprint for Fairness". As a result of the merit of recommendations contained within the report, the department implemented a number of initiatives.

In March, an industry/consumer task force on consumer education was formed to establish a coherent strategy to meet short and long-term requirements. A thorough review of the financial planning business in Alberta was begun by a consumer/industry committee appointed by the Minister. Work was also started on new legislation concerned with the protection of consumers who purchase financial goods and services.

During this period, the Minister signed an information-sharing agreement with the other western provincial ministers responsible for financial institutions. The agreement was a first major step in facilitating cooperation among the western provinces in the regulation of this area, for the benefit of financial consumers.

At the beginning of 1989, the Minister also announced the appointment of an Advisory Committee on Residencial Tenancy. Its purpose was to review existing legislation to see if it continued to maintain a balance between the interest of landlords in receiving a fair return on investment and interest of tenants in decent and affordable rental accommodation. The committee's mandate was to consider the views, ideas and concerns about the relationship between landlords and tenants.

The department recognized that more Albertans could benefit from its services if some were provided through and by various community agencies who have established close helping relationships with their clients. In this way, the special needs of specific groups of people, such as natives, young people, disabled persons, new immigrants and seniors, could be met most effectively and efficiently. Thus, the department began the training of staff and volunteers at community agencies, enabling them to develop the consumer skills of their clients. (For

specific details about the many initiatives undertaken, please refer to the Community Services section of this report.)

As another major extension of the department's services in the marketplace, the groundwork was laid to establish delegated regulatory organizations in a number of industry areas, including automotive, real estate and funeral services. The department is committed to working with industry to establish and maintain the highest standards and qualifications. In DROs the Minister delegates some administration and regulatory duties to councils composed of industry and consumer representatives. Consumer interests can be directly addressed through consumer representation within a DRO. Appeal routes to the department and the courts are maintained.

In recognition of the major roles that volunteer and service organizations fill in our society, a task force was established to hear from non-profit associations about the specific legislation that affects them. The task force held extensive public hearings on a proposed Volunteer Incorporations Act in communities throughout the province.

Alberta Consumer and Corporate Affairs provides administrative, communications and educational support to the Alberta Securities Commission. In addition, the Deputy Minister liaises with the Chairman and Chief on policy issues. During the 1988/89 fiscal period, the Commission's structural reorganization, which was begun earlier to separate the investigative and judicial functions, was completed. Specific details of the Commission's activities are published under separate cover in the Alberta Securities Commission Annual Report.

Throughout the year the department completed its own reorganization, reducing levels of management, and emphasizing efficiency and effectiveness in its service. The department is fortunate to have a staff which is dedicated and hardworking, and the following pages give some evidence of their commitment to the needs of a changing Alberta society in a time of rapid transformation.

DEPUTY MINISTER'S OFFICE

The Deputy Minister is the chief executive officer responsible for the administration and coordination of all line and staff functions. Communications and Corporate Planning are part of the Deputy Minister's office.

Communications

The Communications staff promote the programs of Consumer and Corporate Affairs and inform various publics about department services. Relating to this function, staff coordinate the production of all graphic, print, display and audio-visual material. During the 1988-89 fiscal period, 248 projects were handled.

In addition, staff provide professional communications/public relations advice to the Minister and all levels of the department. New releases, "Consumer Alerts" and speeches are written by staff.

The branch also manages all department advertising.

Corporate Planning

The unit provided assistance to departmental staff with their research and evaluation needs. Several activities included an examination of issues, trends, and needs in the financial services marketplace and of needs and priorities of the public relating to family financial management. With regard to departmental planning, the unit provided assistance to a newly-formed Strategic Planning Committee, which produced papers on trends in the external environment and the effect these trends may have on the department in the future.

By the end of the year, the unit was replaced by a departmental Corporate Planning Committee, to ensure that strategic planning and the consideration of future trends and issues undertaken throughout the department and the Commission. By year end the Corporate Planning Committee had produced a Corporate Plan for 1989 to 1992.

COMMUNITY SERVICES

The year 1988/89 saw a continuation of the community outreach planning directions set in the 1987/88 period. There was a consolidation of the community outreach gains made in 1987/88 as well as community program expansion in several areas:

- The opening of offsite locations in Slave Lake, Drumheller and Morley.
- Working in partnership with a shelter for battered women in Lethbridge.
- Distributing landlord and tenant information in co-operation with the Boyle Street Co-op (inner city, Edmonton).
- Training of social services staff in several locations to enable them to better assist their clients.
- Joint consumer education programming with the Maskwachee Cultural College on the Hobbema Reserve.

In addition to these and similar community outreach efforts, regional staff across the province maintained ongoing contact with communities throughout their region. Their liaison with municipal administrators, Continuing Education Councils, Family and Community Support Services agencies and self-help groups has given the Community Services Division a good community profile in all parts of the province. Divisional staff are seen as an integral part of the community support system.

This vital community support role was demonstrated during the Slave Lake flood disaster when divisional staff provided support and information to families and individuals in distress. During the disaster, staff worked closely with other local agencies at the emergency relief centre and handled enquiries related to landlord and tenant issues, insurance, disaster assistance, small business and trade concerns, licensing and registration.

In addition to the community outreach work, staff in all locations have continued handling consumer complaints, information/referral, family financial counselling, licensing and the monitoring of trust accounts. While the community outreach services provide much of the division's profile, these traditional services constitute a very significant portion of the activities of all offices, and are extensively utilized by the Alberta public. Overall, the staff responded to 187,953 enquiries for information or assistance. While a large portion of the enquiries (50%) are requests for information and can be dealt with on a "one call" basis, the remainder are complaints that require some follow-up work such

as investigation, mediation or enforcement action. While not every issue is successfully resolved, the divisional staff does have a good record in resolving approximately 80% of all cases. Concerns of consumers cover most sectors of the marketplace such as telephone solicitations, used car sales, warranties and guarantees, insurance, real estate, landlord/tenant, prepaid contractors and many others. Consumer information on these and other topics is distributed from all offices throughout the province.

During the 1988/89 period, a total of 4,827 formal investigations of marketplace disputes were conducted. A significantly greater number of differences were resolved by less formal means such as mediation.

A total of 30,754 family financial counselling contacts were made in the course of the year. This service targets families with debt problems and assists them in developing planned systems of repayment on either a voluntary or court ordered basis. Divisional staff act as counsellors as well as monitoring and/or regulating the repayment process.

All of the above services are provided by some 125 staff working out of 8 locations in Lethbridge, Medicine Hat, Calgary, Red Deer, Edmonton, Peace River, Grande Prairie, and Fort McMurray. The extensive community interagency support/network that Alberta Consumer and Corporate Affairs has developed over the years has enabled the department to have a positive marketplace impact well beyond the direct service capabilities of such a relatively small sized organization.

Consumer Education and Information

The primary goal of the consumer education program is to:

- develop resources for Albertans with special needs in the marketplace;
- provide learning opportunities for Albertans to help them develop decision-making skills applicable in the marketplace;
- develop and distribute informational materials to meet consumer and business needs; and,
- provide Albertans with the tools to make informed decisions.

A variety of educational and informational resources were developed to aid consumers in the marketplace. Continuing emphasis was placed on media, and the use of plain language in all publications. In response to problems of

illiteracy, a new series of resources was designed and introduced for basic readers. Consultation and co-operation with community organizations was maintained in the development of several resources. Projects completed include the following:

- "Consumer Talk" a tabloid-format information series was introduced. Written in basic English and using many illustrations and photo stories, this series of eight issues is for people with limited reading ability.

- A joint project with the Calgary Catholic Immigration Society culminated in the production of "Living in Alberta: A Consumer Guide for Use with New Canadians." The Guide is for use by educators, agency workers, and volunteers who help newcomers settle in Alberta.

- The "Auctions in Alberta" pamphlet was developed.

- The "Help for Consumers" pamphlet was written to describe the services available from the Community Services Division of the Department.

- Assistance was provided to Alberta Education in the development of resources for the Career and Life Management curriculum.

- Two tipsheets were developed, titled "Travel Agencies and Insurance" and "Pay Now, Use Later: A Look at Future Services."

- Seventy-seven radio scripts were translated for French language broadcast and fifty scripts were translated for broadcast in Spanish, Cantonese and Polish on ethnic radio programs by the Translation Bureau of Federal and Intergovernmental Affairs.

- The second of two one-hour live broadcasts on home improvement contracting was produced with ACCESS Alberta. Province-wide viewers were invited to phone in with questions for the on-air panel.

- Two pamphlets were produced in co-operation with the Northern Alberta Chapter of the Canadian Condominium Institute.

- Articles were prepared for publication in the newsletters of the Better Business Bureaus of Calgary and Edmonton, the Alberta Real Estate Association, and the Auctioneers' Association of Alberta.

- Fifty consumer messages were prepared for use as newspaper fillers or on cable television message boards.

- "Making Choices," a series of eight handouts for people on low incomes was developed for use in financial management programs.

- Fifty-two newspaper articles and 106 radio scripts were produced for media with approximately 80 radio stations and newspapers using them on a regular basis throughout the province at no cost to the department.

Resource Centre

The Resource Centre's mandate is to provide professional library services to departmental staff and to disseminate consumer information to the public through Consumer Corners in agencies and public libraries. The Resource Centre maintains a collection of books, periodicals, audio-visual materials, pamphlets, legislative materials and government documents relevant to department staff.

The Resource Centre provides information services to the department by conducting data base searches, answering reference queries and providing interlibrary loan service, and publishing current awareness items.

The Resource Centre circulated 1,312 items and responded to 1,382 reference queries in this reporting year in addition to the extensive services provided to Consumer Corners.

Consumer Corner Program

To respond to community needs, further expansion of service occurred at the local level with 16 Consumer Corners being set up in community agencies. In addition, 42 new Consumer Corners were established in public libraries expanding their number across the province to 178.

The Consumer Corner, which is funded by the department, consists of a collection of consumer materials including commercial and departmental publications, and an index to periodical articles. The Resource Centre also conducts in-service training for library staff, serves as a back-up information service, and provides consultative services.

The publication Library Consumer Resources was published and distributed to all public, government and post-secondary libraries throughout Alberta. It provides details on current audio-visual and print resources suitable for Alberta consumers, and helps libraries maintain relevant collections.

PROFESSIONAL STANDARDS AND SERVICES DIVISION

During the 1988-89 fiscal period, the Professional Standards and Services division worked closely with industry groups to improve their understanding of the legislation that affects their operations, and as a result, gain their compliance.

The division also worked at encouraging industry to recognize its responsibilities in the marketplace. To that end, the concept of delegated regulatory organizations (DROs) was pursued, whereby the Minister could delegate administrative and regulatory duties to some industry groups. Discussions were held regarding the establishment of a DRO for the real estate industry.

Real Estate Program

The program administers the Real Estate Agents' Licensing Act, the Mortgage Brokers Regulation Act, the Condominium Property Act, the Landlord and Tenant Act, and the Mobile Home Sites Tenancies Act.

Real estate agents in Alberta require licensing under the Real Estate Agents' Licensing Act. Property managers who are deemed to be trading in real estate through leasing and rental are also required to be licensed under the Act. Mortgage brokers are licensed and bonded under the Mortgage Brokers Regulation Act. The handling of trust monies in both industries is also regulated under the legislation.

Department staff conduct investigations to ensure proper handling of trust funds, investigate complaints against licensees and mediate disputes between licensees and their clients. Staff are also involved extensively in the mediation of disputes between landlords and tenants.

All legislation administered by the program has enforcement sections and investigations conducted by the department may lead to prosecutions.

Real Estate Agents' Licensing Act

This Act was amended in 1987. This accommodated delegation of administration of agent licensing by the Superintendent of Real Estate to the Alberta Real Estate Association. All decisions made by the Association are subject to appeal to the superintendent who still has overall responsibility for licensing.

The Alberta Real Estate Association maintains an assurance fund covering fraud

and breach of trust. As of December 31, 1988 the fund stood at $1,000,074. During 1988 there were 16 claims against the fund for a total of $18,971.24.

Since 1985 real estate salespersons do not require licensing. They must, however, be employed by a licensed agent, be registered with the Assurance Fund and must write and pass a qualifying examination.

Any developer who wishes to sell out-of-province real estate to Alberta residents that is divided into units such as lots, condominiums or time-sharing projects must file a prospectus with the Superintendent of Real Estate. The prospectus must provide full disclosure of all relevant facts.

As a result of departmental investigations during 1988/89, the Superintendent of Real Estate conducted four hearings resulting in two licence cancellations, one licence refusal and one undertaking. Letters of reprimand were also sent out to four real estate agents.

The number of real estate licences in 1988/89 is summarized on the attached Table 1.

Mortgage Brokers Regulation Act

This Act requires all persons brokering mortgages in Alberta to be registered and bonded. The Act has similar requirements for record-keeping and disclosure to consumers as does the Real Estate Agents' Licensing Act. The department directly administers the registration of mortgage brokers. As of March 31, 1989, there were 58 active registrations compared to 59 in 1987/88 period.

Landlord and Tenant Act
Mobile Home Sites Tenancies Act

Both Acts deal with landlord and tenant relationships. Complaints are investigated by regional staff who also mediate a wide-range of disputes. Both Acts have enforcement requirements and a number of investigations result in court action. Most frequent complaint areas relate to non-return of security deposit or failure to provide accounting regarding disposition of security deposits within the statutory requirements. In 1988/89 there were seven prosecutions resulting in six convictions.

The number of investigations/inspections conducted for the program for the years 1987/88 and 1988/89 are summarized on attached Table 2.

Table 1: Real Estate Licenses

	1988/89	1987/88
Calgary	371	360
Edmonton	335	320
Red Deer	40	37
Lethbridge	25	30
Medicine Hat	27	28
Fort McMurray	14	15
Grande Prairie	14	22
St. Albert	14	14
Sherwood Park	6	5
Brooks	10	9
Lloydminster	11	10
Drumheller	8	9
Wetaskiwin	6	6
Peace River	4	4
Camrose	5	4
Towns and Villages	250	245
	1,148	1,113

Total salespersons employed by licensed agents: 7,206

Table 2: Real Estate Investigations/Inspections

	1988/89	1987/88
Real Estate	234	326
Mortgage Brokers	14	31
Condominiums	3	3
Real Estate Time-Sharing	7	5
Landlord and Tenant	329	425
Mobile Home Sites Tenancies Act	6	8
	593	798

Co-operative Activities

Working closely with staff in the regional and district offices of the department, this unit is concerned with maintaining liaison with the co-operative sector in the province, assisting in the incorporation of new co-operatives, approving the incorporation documents for co-operatives and any subsequent amendments, and providing for the dissolution of co-operatives upon request.

Total sales and equity of co-operatives in Alberta remained close to that of previous years, as did total assets, and total membership. There were 468 co-operatives in Alberta at the end of the year, not including the rural utilities co-operatives. During the year, there were 17 co-operatives incorporated and 14 dissolutions.

The department worked closely with other government departments, particularly Alberta Transportation and Utilities, Alberta Agriculture, and Alberta Municipal Affairs, in assisting the co-operative sector.

Consumer Credit Program

The unit works with regional and district office staff to develop a marketplace of informed borrowers and lenders in Alberta; to foster orderly collection of accounts within certain parameters; to assist Albertans in developing good money management skills and to offer specific assistance for over-committed debtors.

Attainment of these objectives is assisted through the administration of the Consumer Credit Transactions Act, Collection Practices Act, Wage Assignments Act, Tax Rebate Discounting Act (federal), Debtors' Assistance Act, and Part X, Bankruptcy Act - Orderly Payment of Debts Provisions (federal).

In the 1988/89 fiscal year, 210 credit-related complaints were formally investigated, as outlined in Table 3. This represents a 28% decrease from the previous year.

Tax Discounting

The unit administers the Tax Rebate Discounting Act (within the Province of Alberta) on behalf of the federal government and requires registration of those discounters formerly under the Credit and Loan Agreements Act and now under the Consumer Credit Transactions Act.

During the calendar reporting year of 1988, the number of registered discounters

remained relatively constant at 48. The volume of activity increased only marginally over 1987, as shown in Table 4.

The tax discounting marketplace continues to reflect a trend of domination by larger firms operating nationally or regionally. One company has now acquired 56.6% of the dollar volume of returns and 54.9% of the number of transactions conducted within the Province. When adding the related franchise totals, the market penetration is over 73%. In total, the four largest discounters conduct about 93% of the business within Alberta.

Family Financial Counselling Program

The Family Financial Counselling Program is delivered by counsellors in the regional and district offices, under the authority of the Debtors' Assistance Act. The program primarily aims at helping consumers improve their money management skills. Where necessary, repayment programs are drafted for over-committed debtors to allow them to repay their obligations in an orderly fashion.

Debt-repayment programs are offered under both the Debtors' Assistance Act and the Orderly Payment of Debts Provisions of the federal Bankruptcy Act. The former is a voluntary program; the latter court-ordered. Emphasis has been placed on voluntary arrangements, to allow more flexibility in dealing with client needs and creditor requirements.

A total of 30,754 requests for financial information or counselling were made during the fiscal year. Of these, 10,053 were new clients specifically requiring credit counselling. There were a total of 147 new repayment programs initiated during 1987 under the Orderly Payment of Debts Provisions and 65 under the Debtors' Assistance Board. These figures reflect the continued emphasis placed on finding other methods of resolving debtor/creditor situations. Repayment programs resulted in the disbursement of $1,267,625.01 to more than 1,000 creditors on behalf of debtors.

Table 3: Summary of Formal Credit Complaint Investigations

A. By Type of Business

	1988/89	1987/88
Collection Agency	63	122
Retail	91	91
Tax Discounter	8	31
Financial Institution	16	17
Finance Company	9	10
Credit Reporting	8	7
Mail Order	0	0
Personal Services	1	1
Other	14	12
TOTAL	210	291

B. By Type of Problem

	1988/89	1987/88
Collection Practices	44	93
Advertising	54	49
Cost of Credit	14	29
Pay-out Calculation	11	16
Contract Liability	7	21
Unethical Practices	13	8
Cancellation of Contract	4	2
All Others (include licensing investigations)	63	73
TOTAL	210	291

Table 4: Activity of Alberta Tax Discounters

	1988/89	1987/88
Number of Returns Acquired	106,687	105,895
Total Amount of Refunds Acquired	$87,978,318.23	$85,218,392.01
Average Refund	$824.64	$804.74
Total Discount Retained	$7,219,196.51	$7,153,532.62
Average Discount Per Return	$67.67	$67.52
Percentage of Refund Retained	8.21%	8.39%

Licensing Program

The Licensing Program administers the following legislation: Licensing of Trades and Businesses Act, Public Auctions Act, Fuel Oil Licensing Act, Direct Sales Cancellation Act, Public Contributions Act, Cemeteries Act, Prearranged Funeral Services Act, and the Employment Agencies Act.

In addition, the program is responsible for the administrative procedures for licensing of mortgage brokers under the Mortgage Brokers Regulation and was responsible for the administrative procedures for the licensing of insurance agents, employees, and adjusters under the Insurance Act.

Licensing is handled by regional office staff who are responsible for accepting applications and supporting documents, conducting investigations, and referring recommendations for prosecution or bond claims to the Director. The Licensing Program provides regional staff with information through an on-line system for licensing, training and consulting services, bond administration and bond claim processing, and prosecution approvals.

During the fiscal year approximately 25,314 licenses were issued or renewed on an annual or five-year basis with another 6,156 already active on a three or four year basis not yet due for renewal.

A total of 1,372 campaign permits for charitable solicitations were approved by the Department and six local approving authorities.

There were 17 applications received for the use of land as a cemetery with 15 final Certificates of Approval being issued.

Surety bonds posted by 17 licensees were forfeited to compensate 52 consumers where the licensees failed to provide goods or services. Claims totalled $175,491.61.

Standards Development

The marketplace in Alberta is becoming an increasingly complex forum of business transactions. This is evidenced both by the type of goods and services being offered and by the marketing practices which are employed to sell these products. The consumer, therefore, becomes increasingly susceptible to unethical or unfair methods of trading. The primary objective of the Standards Development Program is the maintenance of an equitable and orderly Alberta marketplace. This objective is accomplished through the development and

ensures that both the supplier and the consumer enjoy equal rights and responsibilities in their dealings.

An essential element of the program is the continuing development and administration of the Unfair Trade Practices Act. The Act provides suppliers with the minimum standard of acceptable conduct in the marketing of goods and services to consumers through the principles of truth in selling and full disclosure of information. The Act is also designed to provide consumers with an expeditious and inexpensive means of receiving satisfaction in the event a member of the business community has operated in contravention of the legislation.

Administration of the Unfair Trade Practices Act has continued to emphasize the principles of consultation and co-operation with the business community. Alleged transgressions of the Act are reviewed by regional and district staff and discussed with the businesses concerned. In most cases agreement is reached without having to resort to legal action. However, if a supplier persists in operating outside the requirements of the Act, legal action may be initiated by the Director of Trade Practices.

The program was directly involved in the development of a departmental position regarding the principles which should govern the regulation of the financial marketplace. Program staff continue to work closely with business groups to develop alternative dispute resolution mechanisms and improve the quality of information that is provided to consumers through the use of plain language.

Corporate Registry

Corporate Registry is responsible for registration functions outlined in the Business Corporations Act, the Companies Act, the Societies Act, the Religious Societies' Lands Act, the Co-operative Associations Act, the Credit Union Act, and the Cemetery Companies Act.

The Registry's prime administrative function under these Acts is to issue certificates which will create or change the structure of limited liability corporations and societies, and issue certificates of registration to permit corporations formed in any other jurisdiction to carry on business in Alberta. It also maintains a public depository of documents required to be filed under the various provisions of these Acts.

Corporate Registry maintains records on 179,542 active Alberta corporations in

computerized and microfilm form. During the 1988/89 fiscal year, 18,048 corporations were incorporated or registered in Alberta by the Registry. This represents an increase of approximately 1% from the previous year. Additional comparative statistics on corporate activities during the reporting period are shown in Tables 5, 6, and 7.

Table 5: Documents Processed by Corporate Registry

	1988/89	1987/88
Annual Returns	151,542	131,576
Notice of Address	31,439	28,341
Notice of Directors	23,407	21,436
Debt Obligations	6,936	7,990
Discharge of Obligations	3,192	3,639
Receivers/Liquidators	245	508
Corporate Revivals	1,179	1,235

Table 6: Information Provided to the Public by Corporate Registry

	1988/89	1978/88
Telephone searches	92,980	106,960
Walk-in Clients	66,371	70,372
Certified Document Requests	4,311	4,799
Written, Telex, FAX, Search Reports	36,315	58,847

Table 7: Documents Issued by Corporate Registry

Business Corporations Act

	1988/89	1987/88
Certificates of Incorporation	15,314	14,822
Certificates of Registration	1,544	1,714
Certificates of Continuance	49	106
Certificates of Amalgamation	626	604
Certificates of Dissolution	11,504	11,488
Certificates of Import Continuance	166	137
Certificates of Discontinuance (Export)	438	440
Companies Act		
Certificates of Incorporation	68	44
Societies Act		
Certificates of Incorporation	1,084	1,209
Certificates of Article/By-law Changes	718	908
Religious Societies' Lands Act		
Certificates of Incorporation	43	35
Co-operative Associations Act		
Certificates of Incorporation	31	37
Credit Union Act		
Certificates of Incorporation	0	0
Cemetery Companies Act		
Certificates of Incorporation	0	0

Professional and Occupational Associations Registration Program

The Professional and Occupational Associations Registration Act (POARA) is an "umbrella" Act which is intended to govern a variety of professions and occupations not regulated by other statutes such as the Health Disciplines Act or the Manpower Development Act. POARA permits an association certain self-governing powers and provides for the establishment of standards in the areas of education, conduct, discipline, field of practice, as well as other aspects relative to professions and occupations.

Organizations applying for legislation have as primary objectives, the protection of the public against incompetence and fraud, representation of a group practising an identifiable profession or occupation, and the advancement of the interests of that profession or occupation. A designated title and abbreviations are granted for exclusive use by members of the registered association.

In processing the applications, the director of the program works closely with other government departments as well as the Professions and Occupations Bureau. Six associations made application during the year and many others entered into discussions regarding possible registration.

Insurance Standards

Insurance business in Alberta is regulated under the Insurance Act. The Superintendent of Insurance is responsible for the general supervision of the insurance business within Alberta and for ensuring compliance with the laws relating to the conduct of the business. The Superintendent acts under the direction of the Minister and reports on the affairs of the insurance industry.

Insurance companies, agents, brokers and adjusters doing business in Alberta must be licensed under the Insurance Act. Insurance companies must satisfy certain financial standards in order to be licensed. The Superintendent examines the financial condition of provincially incorporated insurance companies. Responsibility for the regulation of insurance agents, brokers and adjusters has been delegated by the Superintendent to Insurance Councils. The Councils, comprised of industry and public members, are charged with the responsibility of issuing licences and investigating complaints. Insurance agents, brokers and adjusters must pass a qualifying examination and meet other requirements in order to obtain a licence.

The Superintendent of Insurance works in co-operation with the federal and other provincial and territorial superintendents to maintain uniformity in insurance legislation and to deal with issues relating to the insurance industry.

Table 8: Insurance Companies Licensed

	1988	1987*
Provincial Companies (including Reciprocal Exchanges	9	8
Extra-Provincial Companies	16	17
Canadian Registered Companies	305	302
Fraternal Associations	20	20
TOTAL	350	347

	1988	1987
New Companies Admitted	13	6
Companies Withdrawn	9	5
Companies Merged into Existing Companies	1	2

* Adjusted from previous report

Table 9: Number of Insurance Agents Licensed (As of December 31, 1988)

	Life	All (1) Classes	Acc. & Sick.	Hail	Auto	Other	Total 1988	Total 1987
Edmonton	1,726	524	987	2	16	387	3,642	3,560
Calgary	1,813	598	1,017	3	4	452	3,887	3,894
Lethbridge	135	81	78	21	1	47	363	379
Medicine Hat	61	32	34	12		22	161	158
Red Deer	161	33	123		1	47	365	342
Grande Prairie	60	13	44	5	2	15	139	168
Lloydminster	28	8	9	5	2	15	139	168
Camrose	17	14	5	5		12	53	44
*Other Centres and Non-residents	911	646	497	496	12	418	2,980	2,820
Employees	—	2,023	—	—	6	16	2,045	2,043
TOTAL	4,912	3,972	2,794	549	43	1,424	13,694	13,460

* Centres with fewer than 50 agents are not shown separately.

(1) All Classes except life, accident and sickness insurance.

Table 10: Number of Insurance Adjusters (As of March 31, 1989)

	1988	1987
Edmonton	159	143
Calgary	130	117
Red Deer	21	18
Lethbridge	23	24
Medicine Hat	14	9
* Other Centres and Non-residents	70	75
TOTAL	417	386

* Centres with fewer than 10 adjusters are not shown separately.

Table 11: Insurance Complaints Resolved (Fiscal Year Ended March 31, 1989)

	Total 1988	Total 1987
Class of Complaints		
Automobile	197	188
Fire	129	91
Life	142	117
Accident and Sickness	88	86
Travel	19	18
General (other classes)	97	191
Adjusters	4	2
TOTAL	676	693

PERSONNEL

The Personnel branch provided the department (including the Securities Commission), with information and advice in the areas of recruitment and selection, job evaluation and classification, employee relations, human resource development, pay and benefit administration and occupational health and safety.

Over the last year, both recruitment and selection, and classification activity increased significantly. This was due in part to the re-structuring of the Alberta Securities Commission.

During the year, 75 positions were filled through staffing actions. This figure includes secondment of staff for both specific position requirements and developmental opportunities, entry level recruitment, and competitions for employment. The 1987/88 total was 54.

One hundred nineteen classification transactions were completed, including upward and downward reclassifications, creations and updates. Last year's figure was 47.

The pay and benefit staff continued to provide employees with timely compensation administration.

This year, two employee grievances were launched. Both cases were settled within the department.

As part of a concerted effort to further incorporate human resource considerations into program planning, the director of personnel was appointed chairperson of the department's corporate planning committee.

In recognition of changing circumstances and demands faced by organization employees, job-sharing and cross-training programs were initiated. Several employees in the Securities Commission and corporate planning branch are now benefiting from increased flexibility that comes with job-sharing.

To maximize the contribution of regional office staff, cross-training programs were implemented. This form of training creates staff that can work effectively in more than one job, and offers increased variety in staff work assignments.

Training and development activities included 91 employees taking part in courses offered by the Personnel Administration Office, 63 in courses offered by the department, 68 in courses or seminars organized by other government agencies and the private sector, and 62 in courses offered by post secondary institutions.

FINANCE AND ADMINISTRATION

Systems and Administration

The 1988/89 fiscal year introduced some major initiatives in the department's office systems and data processing activities. The prime thrust for the new direction was the Government's desire to modernize the Alberta Securities Commission and to provide higher quality services to more Albertans. As a result, all future hardware configurations and software systems will provide access to all necessary information from a single station. To accomplish this, Systems embarked on a program establishing Local Area Networks (LAN) in each region which allows for each LAN to communicate with any other LAN or the Public Works, Supply and Services Mainframe Computer.

The move to standardize all departmental word processing facilities on WORDPERFECT was initiated. Through the enhanced desktop publishing capabilities available, the department is able to produce visually appealing common documents.

Systems has also maintained and enhanced three critical Mainframe Database applications and several microcomputer applications. Through its support for operational systems and its shift in emphasis, Systems is striving to assist all sectors of the department to deliver their programmes as efficiently and effectively as possible.

The Records Management and Micrographics units continue to provide operational support on a department-wide basis. The Records and Micrographics units initiated and completed a project to convert the Corporate Registry files from a paper based system to a microfilm based system. The Microfilm unit completed the major microfilm project initiative in 1987/88 in the Securities Commission to film all existing files in order to establish a microfilm based file system. The filming of new records is continuing in both the Securities Commission and Corporate Registry. In addition in 1988/89 the Records Unit coordinated a paper recycling project utilizing the service provided by Paper Chase Ltd.

Table 12: Summary of Revenue for Alberta Consumer and Corporate Affairs for the Fiscal Years Ended March 31, 1988 and 1989

	1988/89	1987/88
Fees, Permits and Licences:		
Business Corporations Act	$ 6,653,109	$ 6,717,928
Alberta Securities Commission	2,456,266	2,441,794
Special Insurance Brokers	163,918	82,719
Insurance Companies	442,876	435,414
Real Estate Agents	63,990	59,450
Licensing of Trades and Businesses Act	434,858	575,392
Other	39,076	78,618
TOTAL	$10,254,093	$10,391,315
Other Revenue:		
Refunds of expenditure	$ 9,093	$ 12,553
Miscellaneous	9,664	14,245
TOTAL	$ 18,757	$ 26,798
TOTAL DEPARTMENT REVENUE	$10,272,850	$10,418,113

Table 13: Summary of Expenditures of Alberta Consumer and Corporate Affairs for the Fiscal Years Ended March 31, 1988 and 1989

	1988/89	1987/88
Central Support Services		
Minister's Office	$ 257,740	$ 362,985
Executive Management	704,169	481,706
Program Support Division	2,517,551	2,856,414
TOTAL	$ 3,479,460	$ 3,701,105
Regional Delivery Division		
Regional Delivery	$ 4,410,211	$ 3,956,469
Consumer Information Development	649,979	496,997
TOTAL	$ 5,060,190	$ 4,453,466
Professional Standards and Services Division		
Assistant Deputy Minister	$ 150,108	104,686
Real Estate Standards	155,467	129,859
Licensing	331,601	293,945
Regulation of Business Practices	137,236	122,528
Regulation of Credit Grantors	139,814	128,888
Business Incorporations and Registration	2,123,473	2,342,596
Regulation of Co-operatives	32,676	60,808
Insurance Standards	243,461	213,667
Regulation of Auto Insurance Premiums	162,879	122,144
TOTAL	$ 3,476,715	$ 3,519,121
Regulation of Financial Market	$ 4,097,820	$ 2,722,518
Total Departmental Expenditures	$16,114,185	$14,396,210

ACTS ADMINISTERED BY ALBERTA CONSUMER AND CORPORATE AFFAIRS

Bankruptcy Act, Part X (the Orderly Payment of Debts provisions (federal)

Business Corporations Act

Cemeteries Act

Cemetery Companies Act

Collection Practices Act

Companies Act

Condominium Property Act

Co-operative Associations Act

Co-operative Marketing Association Act

Consumer Credit Transactions Act

Debtor's Assistance Act

Department of Consumer and Corporate Affairs Act

Deposits Regulation Act

Direct Sales Cancellation Act

Employment Agencies Act

Franchises Act

Fuel Oil Licensing Act

Insurance Act

Landlord and Tenant Act

Licensing of Trades and Businesses Act

Mobile Home Sites Tenancies Act

Mortgage Brokers Regulation Act

Native Co-operative Guarantee Act

Professional and Occupational Associations Registration Act (POARA)

Prearranged Funeral Services Act

Public Auctions Act

Public Contributions Act

Real Estate Agents' Licensing Act

Religious Societies' Lands Act

Securities Act

Societies Act

Tax Rebate Discounting Act (federal)

Unfair Trade Practices Act

Wage Assignments Act